

## Message Text

LIMITED OFFICIAL USE

PAGE 01 MANILA 10081 231042Z

21

ACTION COME-00

INFO OCT-01 EA-06 IO-10 ISO-00 AGR-05 CIAE-00 EB-07 INR-07

LAB-04 NSAE-00 SP-02 STR-04 TRSE-00 CIEP-01 FRB-03

OMB-01 L-03 /054 W

----- 032953

R 230915Z JUL 75

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 5737

INFO USMISSION GENEVA

LIMITED OFFICIAL USE MANILA 10081

E. O. 11652: NA

TAGS: ETRD, RP

SUBJECT: NEW TEXTILE AGREEMENT

REF: (A) STATE 164887; (B) STATE 143292

COMMERCE FOR ARTHUR GAREL, OFFICE OF TEXTILES

1. EMBASSY IS RECEIVING INCREASING NUMBER OF QUESTIONS ABOUT NEW TEXTILE AGREEMENT AND IS HANDICAPPED IN RESPONDING BY LACK OF COPY OF MEMORANDUM OF UNDERSTANDING. REQUEST COPY BE SENT. WOULD ALSO APPRECIATE RUNDOWN ON REMAINING STEPS TO FINALIZE AGREEMENT AND TIMING FOR UNDERTAKING THEM.

2. AMONG SPECIFIC PROBLEMS WHICH HAS SURFACED IS BELATED DISCOVERY BY PHILIPPINE INDUSTRY AND GOVERNMENT OF APPARENT CLASSIFICATION PROBLEM INVOLVING NON-TRADITIONAL EXPORTS IN CATEGORY 223. PHILIPPINES REQUESTED 300,000 DOZENS ENTIRELY IN TRADITIONAL CATEGORIY. GARMENT INDUSTRY'S RECORDS SHOW IT IS NOW DISCOVERED VIRTUALLY ALL OF ACTUAL CATEGORY 223 SHIPMENTS OF 230,000 DOZENS IN 1974 TO HAVE BEEN IN NON-TRADITIONAL CATEGORY. AN AMERICAN FIRM, CHELSEA LINGERIE, INC., 36 EAST 31ST ST., NYC, BY ITSELF CLAIMS 186,000 DOZENS, ALL IN NON-TRADITIONAL CATEGORY.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MANILA 10081 231042Z

3. REFTEL B CONTAINS U.S. FIGURES SHOWING ACTUAL SHIPMENTS IN TRADITIONAL CATEGORY TO HAVE BEEN 214,000 DOZENS FOR YEAR ENDING APRIL 1975. U.S. FIGURES SHOW RELATIVELY SMALL NON-TRADITIONAL SHIPMENTS. THUS, PHILIPPINE REQUEST FOR 300,000 DOZENS IN TRADITIONAL CATEGORY WAS CONSISTENT WITH U.S. RECORDS FOR ACTUAL CATEGORY 223 SHIPMENTS. HOWEVER, PROPOSAL NOW ADVANCED BY PHILIPPINE ASSOCIATION OF EMBROIDERY AND APPAREL EXPORTERS AND SEMI-NDORSED BY PIO DEL RODA IS TO SHIFT 250,000 O 300,000 DOZENS INTO NON-TRADITIONAL.

4. EMBASSY HAS ADVISED CHELSEA LINGERIE TO PROVIDE TO CAREL DOCUMENTATION ON ITS SHIPMENTS SUFFICIENT TO IDENTIFY THEM IN U.S. CUSTOMS RECORDS. COMPANY WILL DO SO DIRECTLY FROM ITS NEW YORK OFFICE. EMBASSY WOULD APPRECIATE BEING ADVISED WHEN DETERMINATION HAS BEEN MADE AS TO HOW THESE AND OTHER GARMENTS IN QUESTION HAVE BEEN CLASSIFIED.

5. CHELSEA LINGERIE PROBLEM IS THIRD CATEGORY IN WHICH DOCUMENTS ARE BEING OR HAVE BEEN TRANSMITTED TO CAREL (SANTIAGO AND CARAG DOCUMENTS BEING FIRST TWO). IN ADDITION, EMBASSY HAS BEEN APPROACHED BY INDUSTRY REP REGARDING ALLEGED PROBLEM IN CATEGORY 42, IN WHICH MANUFACTURERS CLAIM THEY SHIPPED 342,000 DOZENS, WITH OVER 200,000 DOZENS FROM ONE MANUFACTURER ALONE. EMBASSY HAS POINTED OUT TO GOP LOKUMAL OF LITTON MILLS, INDUSTRY REP WHO IS SITTING ON COMMITTEE TO DIVIDE UP QUOTA ALLOCATIONS, THAT IT IS OBVIOUSLY IMPOSSIBLE TO HAVE SHIPPED THIS AMOUNT IN CATEGORY 42 SINCE IT IS LIMITED BY QUOTA TO ABOUT 42,000 DOZENS. COMMITTEE IS AWARE OF THIS, AND OBVIOUSLY PERPLEXED BY PROBLEM OF SORTING OUT LEGITIMATE CLASSIFICATION PROBLEMS FROM INFLATED CLAIMS MADE TO GET A LARGER SHARE OF THE PIE.

6. WITH RESPECT TO CLASSIFICATION TRAINING, PIO DE RODA ADVISES THAT THEY WOULD LIKE TO ASSEMBLE A GROUP OF ABOU 20 PEOPLE, MOSTLY FROM THE PRIVATE SECTOR, TO RECEIVE TRAINING FROM E. A. LIPSCOMB IN CLASSIFICATION. THEY WOULD THEN SEND GOVERNMENT PEOPLE TO U.S. FOR TRAINING. IN THIS REGARD, PIO DE RODA HAS ENQUIRED LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 MANILA 10081 231042Z

AS TO STATUS OF PROPOSAL TO FUND THROUGH AID COSTS ASSOCIATED WITH TRAINING. REQUEST READING OF PROGRESS AND ENXT STEPS RESPECTING AID FUNDING.  
SULLIVAN

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TEXTILES, AGREEMENTS, DATA  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 23 JUL 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975MANILA10081  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750254-0142  
**From:** MANILA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750730/aaaabami.tel  
**Line Count:** 111  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION COME  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 164887, 75 STATE 143292  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CunninFX  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 24 JUN 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <24 JUN 2003 by ElyME>; APPROVED <03 NOV 2003 by CunninFX>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** NEW TEXTILE AGREEMENT  
**TAGS:** ETRD, RP, US  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006